



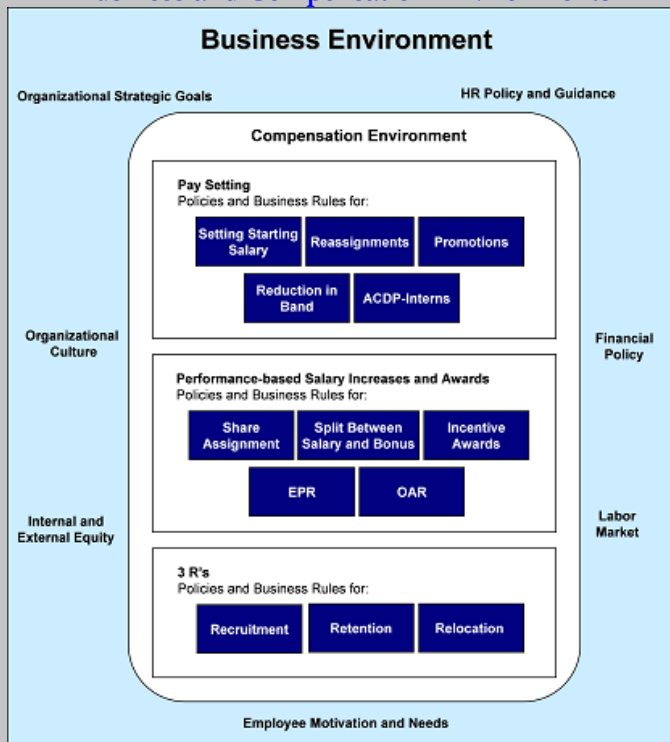
CNFJ REGIONAL HUMAN RESOURCES OFFICE (HRO) “SHINBUN”

Director's Corner – Sarah B. Overstreet

Compensation Philosophy

The Compensation Philosophy is the guiding factor for the administration of a compensation program. The philosophy should ensure that a compensation program is aligned with the organization's mission, strategic initiatives and objectives, and desired employee behaviors and/or organizational culture. The compensation system is flexible and delegates many compensation decisions to managers and supervisors. Compensation decisions should be based on good business judgment and guided by an organization's business environment, including an organization's strategic goals, culture, labor market conditions, employee motivational needs, internal and external equity, human capital strategy and financial requirements and policies.

Business and Compensation Environments



“HR Services That Enable the Fleet.”

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Managing Compensation Under NSPS

“Managing Compensation under NSPS” is an outstanding resources guide for Managers and Supervisors involved in applying and administering the National Security Personnel System's (NSPS) compensation management flexibilities and authorities. The guide discusses the key compensation concepts that managers and supervisors need to understand in order to determine appropriate policy, create and maintain their organization's business rules and pay pool processes, and make sound judgments regarding employee pay. It is also intended to help organizations ensure that compensation decisions are financially sound and based on business-case needs and well thought out rationale.

This guide provides a more advanced look at compensation management and complements than the Managers' Interim Guidance for Establishing Pay for Employees in NSPS. Specifically, it presents the basics of

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establishing a compensation strategy and managing compensation at the organizational level.

Compensation Management Teams:

Under NSPS, effective compensation management requires multi-level participation and involvement with leaders, managers, and strategic partners sharing in the process. NSPS compensation strategic partners include the business, financial management, human resources, legal, and EEO advisors who support decision makers. Establishing a process for ongoing dialogue among these partners is critical to exercising and managing the NSPS compensation flexibilities effectively. By collaborating, sound compensation strategies may be developed to ensure that managers and supervisors make fact-based compensation decisions. Partners can assist in developing pay setting guidance, identifying potential internal and external equity issues, and assisting in developing recruitment strategies.

What are Alternative Promotion Procedures?

Alternative Promotion Procedures are procedures used to fill NSPS positions. The value of these procedures is they do not require vacancy announcements and they help the organization streamline hiring processes to fill positions quickly so the highest quality candidates are not lost to other organizations.

Employees and managers may have concerns that these procedures might compromise merit principles. Regulations require that employees selected under these procedures must meet qualification standards and either fall into the category of highly qualified or for the exceptional performance promotion have an NSPS Role Model (level 5) rating of record.

While the regulation does not require a formal advertisement, like posting a job on USAJOBS, it does require that employees receive notification prior to use of these procedures. Some methods

can include newsletters, bulletin boards, e-mail, Websites, or other forms of communication.

Use of these alternative procedures is subject to the requirements of the DoD Priority Placement Program and the Reemployment Priority List. Employees absent for legitimate reasons must receive appropriate consideration.

Assessment Boards:

Boards may convene to assess internal candidates for current and future advancement opportunities based on pre-established criteria. Pre-established criteria may include experience, training, awards, education, performance evaluation scores (ratings of record), or other appropriate information.

Boards must categorize employees into specific levels of candidates to generate referral lists of ranked candidates for occupational groups. These referral lists are valid for one year from the date generated. Supervisors may select from the categorized referral list without advertising a vacant position. The supervisor's selection should be further justified based on specific job-related factors unique to the actual vacancy.

Boards, composed of senior level managers (subject matter experts for each particular occupational group), may be convened on an ad hoc basis or may be held annually in conjunction with the performance evaluation process.

Alternate Certification:

A selecting official may make a by-name request for an individual from any appropriate source of department or Component employees. The employee may be selected if ranked within the highest quality group as determined by rating factors established for the position. Alternate certification does not require a vacancy announcement.

Exceptional Performance Promotion:

Exceptional Performance Promotion is another form of alternative promotion procedure. This can happen when an employee whose most recent annual rating of record is a Role Model (level 5) performance rating may be promoted to a vacant position in a higher pay band when the vacant position has the same occupational series (or related interdisciplinary/inter-occupational series) and similar function as the position the employee held at the time he or she received the level 5 rating.

Selecting officials must determine and document the area of consideration and must also consider all employees in the area of consideration whose current rating of record of Role Model was based on performance in the same occupational series and similar function as the vacancy.

Civilian Employees of Potential Tax Liability Related to Child Care Subsidy

Department of Defense (DoD) civilian employees are a valued resource and an essential part of the Total Force. DoD strives to ensure an agile, diverse, and mission ready civilian workforce and is committed to establishing policies, programs, and initiatives promoting work life balance and support of employees and their families.

Installation-based child development programs, established for children of Military Service members and utilized by children of civilian employees, are an example of DoD's commitment to families. While there is no differentiation between civilian employees and Military Service members in regard to fee schedules or quality of care provided, there are distinctions in their treatment under the tax code. This memorandum provides information on Internal Revenue Code (IRC) rules that apply to civilian employee patrons of the installation based DoD child development programs.

The cost of the DoD installation based child development programs is subsidized for both Military Service members and civilian patrons through appropriated funds.

These subsidies include direct support for a limited number of staff salaries, equipment and supplies. Additional financial support is provided in the form of installation contracts, facility and grounds maintenance, and other personnel support. In the absence of subsidies, the cost of child development programs offered to both Military Service members and civilian employees would be significantly higher.

For the purpose of the cost per space determination, installation based child development programs are defined as those programs that are located on property owned or leased by the federal government and programs supported by DoD installation personnel off the installation that are also funded by direct and indirect appropriated support. Title 26, United States Code, section 61 and title 26, Code of Federal Regulations, section 1.61-1, Internal Revenue Code (IRC), provide that child care subsidies are generally treated as cash income.

This cash income is generally calculated by adding the value of the subsidy to the taxable income of civilian employees who benefit from the subsidies. The IRC allows exemptions up to \$2,500 (for married individuals filing separately), or \$5,000 (for married couples filing jointly or single heads of household), from gross income if the subsidies are made available through an employer Dependent Care Assistance Plan (DCAP). The Office of Children and Youth, Military Community and Family Policy (MC&FP), Office of the Secretary of Defense (OSD), in conjunction with the Office of General Counsel (OGC), has developed a formula to establish a cost value for each child care space regardless of the age of the child.

Each civilian family will receive specific information about the subsidy value for the relevant tax year, beginning with 2009. The information will be provided each year in a letter to each civilian sponsor and will also appear on the employee's Leave and Earning Statement. In addition, MC&FP is working with Civilian Personnel Policy and OGC to clarify the DCAP during the 2009 tax year to allow civilian employees utilizing DoD child development centers on installations to continue to benefit from the exclusion of up to either \$2,500 or \$5,000 from their pre-tax gross income.

To qualify for the DCAP exclusion, civilian employees must claim the child as a dependent on the employee's Federal income tax return. Additional guidance may be found in the Internal Revenue Service Publication 503 "Child and Dependent Care Expenses." Employees may also wish to consult your tax advisor to be sure that you have calculated the child care credits and exemptions correctly. This is not intended to replace specific advice from civilian employees' tax preparer. Civilian employees are also eligible to make pre-tax contributions up to \$5,000 in a Dependent Care Flexible Spending Account (DCFSA). Civilian employees enrolled in a DCFSA whose children receive care in a DoD child development program should note that DCFSA contributions are included in the -\$5,000 (\$2,500 for married individuals filing separately) tax exempt amount. Thus the tax exempt \$2,500 or \$5,000 is an aggregate of the value of the subsidy of the care provided to children enrolled in DoD installation and community based child development programs, defined as programs approved by USD (P&R) or the designated office and located on non-government property, and the DCFSA contribution. The increasing value of the subsidized portion of care provided through DoD installation child development programs may cause patrons with more than one child enrolled or those employees also enrolled in a DCFSA to exceed the tax exempt amount in the 2009 tax year. The Service child development program staff will provide an update on the value of the

subsidy portion of care for the respective tax year to all civilian families.

Workplace Harassment

Harassment is a form of employment discrimination that violates Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, (ADEA), and the Americans with Disabilities Act of 1990, (ADA).

Harassment is unwelcome conduct that is based on race, color, sex, religion, national origin, disability, and/or age. Harassment becomes unlawful where 1) enduring the offensive conduct becomes a condition of continued employment, or 2) the conduct is severe or pervasive enough to create a work environment that a reasonable person would consider intimidating, hostile, or abusive. Anti-discrimination laws also prohibit harassment against individuals in retaliation for filing a discrimination charge, testifying, or participating in any way in an investigation, proceeding, or lawsuit under these laws; or opposing employment practices that they reasonably believe discriminate against individuals, in violation of these laws.

Petty slights, annoyances, and isolated incidents (unless extremely serious) will not rise to the level of illegality. To be unlawful, the conduct must create a work environment that would be intimidating, hostile, or offensive to reasonable people.

Offensive conduct may include, but is not limited to, offensive jokes, slurs, epithets or name calling, physical assaults or threats, intimidation, ridicule or mockery, insults or put-downs, offensive objects or pictures, and interference with work performance. Harassment can occur in a variety of circumstances, including, but not limited to, the following:

The harasser can be the victim's supervisor, a supervisor in another area,

an agent of the employer, a co-worker, or a non-employee.

The victim does not have to be the person harassed, but can be anyone affected by the offensive conduct.

Unlawful harassment may occur without economic injury to, or discharge of, the victim.

Prevention is the best tool to eliminate harassment in the workplace. Employees are encouraged to inform the harasser directly that the conduct is unwelcome and must stop. Employees should also report harassment to management at an early stage to prevent its escalation. Employees may also contact the EEO Office at 243-8163/9579 to report harassing behavior and/or to seek assistance on resolving potentially harassing incidents.

Scheduling Of Annual Leave To Avoid Leave Forfeiture

As an employee, are you aware that you have responsibilities to schedule annual leave in advance? U.S. civil service employees must use their excess annual leave by the end of leave year or it may be forfeited. The current leave year ends on 2 January 2010.

Public Law 93-181 requires positive scheduling of annual leave during the current leave year. The scheduling of annual leave is the mutual responsibility of employees and management to plan, schedule and use annual leave systematically throughout the leave year. Employees are responsible for requesting and scheduling annual leave in advance to facilitate work planning and to permit any necessary rescheduling. Supervisors are responsible for ensuring that each employee schedules leave during the year to prevent forfeiting annual leave in the "use or lose" category. Particular scrutiny should be given to employees who have forfeited leave in recent years or employees who are still using restored leave.

However, forfeited annual leave may be restored under certain conditions such as; 1) Administrative error which causes a loss of annual leave; 2) Exigencies of the public business when the annual leave was scheduled in advance; or 3) Sickness of the employee when the annual leave was scheduled in advance. An exigency of the public business exists if the work situation or operational demand is of such importance that the employee cannot be excused from duty. An exigency will not be deemed to exist solely because it would be inconvenient or disruptive to have too many employees absent on year-end leave or because of the pressure of normal workload variations or normal time limitations for work completion. Failure of management to ensure that sufficient employees are available to meet work requirements or to serve as "Acting" in a key position is not considered an exigency of public business. A request for annual leave may not be denied for the reason of an exigency of public business until an exigency of public business request has been approved by the head of the activity.

If you have not submitted a tentative annual leave schedule to your supervisor, it is encouraged for you to do so. Management is required to review and schedule annual leave to meet work requirements and work mission, and to prevent employees from forfeiting annual leave. It is key to get an early start in planning your annual leave to avoid annual leave forfeiture and to ensure sufficient manning and operational requirements at the end of the year.



NSPS CORNER

To find out more about NSPS visit:

<http://www.cpms.osd.mil/NSPS>

UPCOMING NSPS TRAINING – Yokosuka/Atsugi

POC: 243-8182

14 July 09	Navigating NSPS for Employees/Supervisors at Yokosuka
3-4 August 09	NSPS Pay Pool Management at Yokosuka
TBD	Compensation Management for Managers and Supervisors
18 August 09	Writing Self-Assessments at Yokosuka

UPCOMING NSPS TRAINING- SASEBO

POC: 252-3661

16 Sep 09	Navigating NSPS for Employees/Supervisors
23 Sep 09	Brown Bag Session

UPCOMING NSPS TRAINING- OKINAWA

POC: 634-6224

13 Aug 09	Navigating NSPS for Employees
20 Aug 09	Navigating NSPS for Supervisors
15 Oct 09	Navigating NSPS for Employees
22 Oct 09	Navigating NSPS for Supervisors

If your organization is interested in obtaining the services of a pay pool advisor, please contact the Regional NSPS Program Manager, Ms. Lisa Marsh, at 243-3413 or by email at Lisa.Marsh@fe.navy.mil. This is just another HR initiative developed to increase our customer service as we provide “HR Services That Enable the Fleet.”

You may access the DON NSPS Compensation Overview course on Navy e-Learning (NeL) using the following steps:

1. Log on to NKO at the following site: <https://www.nko.navy.mil/>. You will need an NKO account in order to take the Overview course. If you do not have an account, you may register as a "New User" from the home page. Note, by registering as a new user, your training completion will automatically be captured. For information about setting up a new user account, accessing, navigating and enrolling in NKO courses, please refer to the NKO Guide available at <https://www.donhr.navy.mil/employees/NKOGuidebook.asp>.
2. Look under Learning
3. Click on Navy e-Learning Online Courses
4. Scroll down to "Want to see WHAT'S NEW?"
5. Click on WHAT'S NEW
6. Scroll down to find DON NSPS COMPENSATION OVERVIEW (OCHR-NSPSO-1.0)
7. Click on course title
8. Start enrollment.

5 Job Interview Do's and Don'ts

No. 1: Do Your Homework. The only thing that will make the interview jitters go away is preparation. Being familiar with the organization's or company's mission and what it holds as most important will build your confidence and ultimately help you answer questions better. Research the antidiscrimination policy. This helps you ensure this is a place you want as an employer.

No. 2: Don't Lie. Despite what your gut or that little devil over your shoulder tells you, honesty is always the best policy. "You want to make sure the interviewer is drawing the right conclusion.

No. 3: Do Be Upfront. Disclosure is often a big issue. When is the best time to discuss orientation? When is the best time to reveal a disability? The answer is: Whenever you decide. It is very important to be comfortable with your decision to offer such sensitive information.

No. 4: Don't Over-Personalize. While understanding who you are is imperative, it is critical to understand how you--the individual--will fit into the overall picture of the organization or company. Understanding your strengths and weaknesses will help you professionally. If asked to address some of your accomplishments, relevance is key. It is also a great way to further highlight why you are right for the job.

No. 5: Do Ask Questions. Again, use your research to show that you are well prepared and ask questions that show your interest in the organization or company.

EEO OFFICE HAS NEW LOCATION

The Commander U.S. Forces Japan Equal Employment Opportunity (EEO) office is no longer located in the Regional Workforce Development Office, Building A20. We have moved to Building 1555. (We are occupying the previous office spaces for the Fleet and Family Support Office in the building next to MacDonalds.) The EEO Office is located on the second floor. For directions, contact the EEO Office at 243- 7092/7092. Our phone numbers and address remain the same.

EEO Program Manager	243-8163
EEO Counselor	243-9579
EEO Assistant	243-7092
FAX:	243-9962

Address:	Code N134
	Box 22,
	FPO AP 96349

HR Program and Site Contact Info

US Staffing/Classification	243-9343
EEO	243-8163
Okinawa Satellite Office	634-6224
Labor/Emp Relations	243-8187
JN Emp/Classification	243-8155
Sasebo Satellite Office	252-3661
HR Info Systems	243-8191
Atsugi Satellite Office	264-3422

We are on the web!

Visit us at

<http://hro.cnfj.navy.mil/>